GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:438
ANSWERED ON:23.02.2001
SURCHARGE ON INCOME-TAX
AJAY SINGH CHAUTALA;C. KUPPUSAMI

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have issued notification to levy surcharge on income-tax in the wake of earthquake disaster in Gujarat;

(b) if so, the details thereof and the details of the other taxes being levied for the purpose;

(c) the total amount expected to be generated through it during the current financial year;

(d) the amount proposed to be provided to the State Government of Gujarat for relief and rehabilitation work; and

(e) the details of funds mobilised/being mobilised as soft loan from International Funding Agencies?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (GINGEE N. RAMACHANDRAN)

(a) & (b) An Ordinance has been promulgated on 3rd February, 2001 levying a surcharge on income-tax. The Ordinance levies a further surcharge at the rate of 2% on the income-tax payable by domestic companies and by non-corporates having income above Rs. 60,000/- for the Assessment Year 2001-2002.

(c) Rs. 1,300 crores.

(d) Release of funds under the National ContingencyFund (NCCF) is governed by the guidelines of theScheme for Constitution and Administration of National Calamity Contingency Fund, and the sameis provided to meet expenditure on immediate relief and rehabilitation for calamities of severe nature relating to cyclone, draught, earthquake, fire, flood and hailstorm. The scheme envisages imposition of special surcharge for recouping of expenditure from NCCF.

(e) International Development Agency (IDA) is the soft loan affiliate of the World Bank. An assistance package is being discussed with the World Bank, including major soft loan component. The World Bank team is currently making damage and needs assessment in Gujarat.